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## THE DEVELOPMENT OF HOXIE'S ECONOMICS

### I

It is not customary for economists to supply their would-be interpreters with convenient theories for explaining how they came by their results. Certainly Hoxie had no conscious intention of being so considerate; for he had in mind trade unionism, and not his own economics, when he elaborated his theory of development in terms of "the totality of impinging environmental conditions." But, since the theory has been set forth, alike it calls for verification and offers a challenge to its more universal application. This double demand can, perhaps, be met in no better way than by recording the persistent development of Hoxie's economics in terms of its material and intellectual environment.

But, in this connection, what do we mean by environment? All of us have eyes that see not and ears that hear not many of the things to which they are exposed. From the countless scores of sensations and impressions which the worlds of nature and social arrangements contain, each of us selects a modicum of his own. This is his world; it includes the phenomena which he must reduce to order; it embraces the facts with which his theories must prove themselves foursquare. Such are the diversities of gifts among us in observation, perception, and interpretation that each comes to possess his own environment.

Thus, at the very outset of our study, Hoxie's environment as a determining cause seems a contradiction, for he was one of its prime causes. Because he was different from other economists, the conscious environment which finds expression in his work was unlike theirs. He could not have hedged himself about with the pent-up doctrines of "the fathers" and have gilded refined gold in the subtleties of theory; for he was by nature no votary of tradition. He could not with more charity have surrounded himself with the wisdom of many schools and have formulated an eclectic body of doctrine which held them all in solution, for to

him the world of action contained more interesting problems than the synthesizing of established theories. He could not have discovered a few significant "forces" in the life about him and have hammered them together into a theory of society, for he saw all too clearly the bewildering complexity of economic life. He could not have applied himself to a small region of unexplored territory and have recorded his observations in a system of co-ordinate descriptive details, for he could not look for truth in a wilderness of miscellaneous facts. Because he was what he was, his environment was always expanding and the influences affecting his work always partial. Before observation had been completed, or system had been given to its results, the horizon invited. New facts, new viewpoints, new preconceptions, new methods, new aims, new problems crowded constantly upon him. In this continued process there are to be discerned three types of developing influences in terms of which the growth of his economic system must be stated.

The first and most immediate of these was the development of economic theory. In so new a science, concerned with rapidly changing phenomena, tradition sits lightly. A decade is likely to mark a distinct "period," and three or four of them to assume the importance of an "age." Hoxie's quarter-century in economics<sup>1</sup> brought him into contact with its literature in all its varied array. Throughout this period the classical tradition remained the dominant influence in political economy, though it was often and seriously challenged. The attack of Marxian socialism revealed the necessity of restatement, and several variants sprang off from the main stock. Among these the Austrian and the American productivity systems are only the most conspicuous. Conceived of at first as independent statements of doctrine, they rose and flourished, and it was not until recently that they betrayed unmistakable signs of reverting to type. The German "historical" influence for a time threatened the citadel; but soon a truce was struck by which the domain of theory was made immune to its

<sup>1</sup> Robert Franklin Hoxie was born April 29, 1868. His acquaintance with economic literature began when he was an undergraduate at Cornell University in 1891-92. His professional connection with the subject properly begins two years later, when he became a Fellow in Political Economy at the University of Chicago. He died June 22, 1916.

influence, and, with only a nominal overlordship, it was left free to exercise sovereignty in the surrounding "practical provinces," such as banking and transportation, whose virgin territory seemed to invite descriptive labor. In the early nineties only here and there did a voice attack the preconceptions of the science and insist upon the institutional and evolutionary character of its phenomena. But, as time passed, the number of these protestants increased, at least sufficiently to allow their division into a number of dissenting schools. To all of these influences Hoxie was more or less sensitive. Some wrote themselves indelibly into his work; others fascinated him for a time; and still others furnished convenient statements of economic truth and untruth against which to protest.

Typical of the larger variety are the influences exerted upon Hoxie's development by three prominent American economists, exponents of widely different schools. The first was Laughlin, the representative of the best traditions of classical doctrine. He conceived of the economic order as established upon natural laws, which he formulated in terms of individual competition. Although his categories were clear-cut and his statements of principles exact, he had little sympathy for doctrinaire refinements, and insisted upon the older tradition, that economics must vindicate itself in its application to the everyday affairs of life. The second influence, felt much later, was that of Fetter, the best representative of the "American psychological school." He insisted upon modernizing economics,<sup>1</sup> upon making its principles conform to the reality of modern industrial life. In this attempt he made the "individual in society" the focus of his study, sought a more adequate psychological foundation for the science, elaborated a new set of concepts, modified the theories of various schools to fit his purpose, formulated new ones when necessary, and wrought the whole into a wonderfully logical and coherent system. The third, and much the most persistent influence of the three, was that of Veblen, who stood almost alone as a searching critic of theory in its larger aspects. Hoxie knew him when he was formulating his indictment

<sup>1</sup> The school of economists of which Professor Fetter is the founder is frequently spoken of as "the modern school."

of the taxonomic character of accepted theory, protesting against its neglect of the salient aspects of industrial life, and pointing a way to the genetic study of institutions. Hoxie saw him in the process of revealing the importance of the technical and the pecuniary aspects of social life, coining terms in which others could voice with unction their criticisms of the economics of the schools,<sup>1</sup> and formulating principles that could be incorporated into the methodology of the "coming" economics.<sup>2</sup>

The second of the larger influences was the general intellectual environment. The strain in economic theory for a newer reality is but the reflection of the transitional movement in everyday habits of thought. At the beginning of the period the common-sense individualism of the middle of the century still firmly encompassed us. In our mechanical-mindedness we believed that the individual was "the architect of his own destiny"; that success or failure in all the affairs of life was a matter of one's own volition. Were the question one of the responsibility for a fortune, a poem, a theory, an accident, or a crime, we found in some individual the ultimate term of our quest. This habit of mind wrote itself into the whole of our institutional system. We found it alike in our courts of law determining responsibility for industrial accidents, in our religious creeds in their doctrines of salvation by faith, and in our educational policies in their theories of a free elective system. Even many of our economists believed that the specific responsibility of the individual in production could be definitely determined.<sup>3</sup>

<sup>1</sup> In a single article of Hoxie's I glean offhand the following Veblenian terms: "industrial" versus "pecuniary"; "taxonomic" versus "biologic"; "cumulative causation"; "putative"; "complete economic taxonomy"; "universal economic normalities"; "process"; "genesis." Doubtless a systematic search would reveal many more. The careful student will note that in more than one case Hoxie has enriched the original terms (see "On the Empirical Method of Economic Instruction," *Journal of Political Economy*, IX, 481-526). Those who know Hoxie's work do not need to be told that these expressions do not indicate servile discipleship.

<sup>2</sup> Two other economists deserve particular mention because of their influence upon Hoxie. They are Professors Herbert J. Davenport and Alvin S. Johnson. Of their influence Hoxie's writings bear evidence; but it cannot be so definitely particularized as can that of the three mentioned above.

<sup>3</sup> The student of economic theory, to avoid misunderstanding, must distinguish between the problem of how much under competitive conditions a unit of each of the funded economic factors can secure from the productive process, and the problem of

As a necessary complement we marked all our institutions with the label *ex naturae mundo*. We regarded social arrangements which had existed for the briefest moment in human history as of the immutable cosmos itself. Quite naturally, too, we clung to a mechanistic theory of industrial society, and believed that the whole could be resolved into parts without loss of identity or reality. But, although it came slowly and none too clearly to those who watched it, a quarter-century affected a great change in this. The discovery of environment was at last made; and, as a consequence, we developed an extenuating disposition to place the blame upon society, institutions, or even more vaguely "the system." With this discovery the natural world of laws began to give way to a social universe, filled with "arrangements" capable of being manipulated. And, as attention was diverted from the mechanical things of life, the idea of evolution was gradually accepted and particular acts and institutions began to be conceived of as inseparable parts of a closely connected whole. So it came about that explanations which had their ultimate source in a mechanical and individualistic natural system failed to satisfy the increasing number who were finding it difficult to accept such a fundamental hypothesis.

The third of these larger influences was the material environment. The uncertainty which we have just detected alike in economic theory and in intellectual attitude was in large measure a result of the accelerated development of the industrial system. Peculiarly enough, the England of classical theory and the Germany of the historical school have left no conscious mark on Hoxie's work. His material environment was that of contemporary America. A continent, possessed of unparalleled resources, had just been subjugated by the aid of the machine process. An aggregation of trades, processes, and markets was being forged into an industrial system. Through a network of institutions, themselves in process of being

how much under similar conditions it contributes to that process. The first problem is positive; if a determination of the contribution is associated with a problem of distribution, the second becomes ethical. The confusion of the two is almost inseparably associated with an acceptance of the theory of specific productivity. While intellectually this theory belongs to the nineties, or even an earlier period, it is peculiar in that its popularity came later.

created, these were coming to be a delicately balanced pecuniary system. On industrial lines, and impelled by the machine culture, society was being resolved into classes, and these into larger groups, which tended to dissolve into smaller ones, each conscious of its inalienable right to large pecuniary income. Individuals were beginning to become conscious of their group interests, the while they saw a threat in the assertion of the group interests of others. Change was everywhere. Wealth was increasing; accumulated capital was being invested and new capital values were emerging without investment; old industries were being expanded and new ones were springing up; the advance of technology was making obsolete productive processes which a moment before were new; and population was increasing to meet new pecuniary demands, bringing a babel of tongues and a motley of cultures.

Changes such as these defied expression in quantitative terms. The adjective "normal" seemed strangely inappropriate when applied to any aspect of the situation; in the perpetual newness of things all must be "natural" or all unnatural. Nor could the situation be expressed in static terms. It offered no disposition to return to an "equilibrium" after a "disturbing force" had disarranged the gear. It might well be that a series of actions and reactions was tending toward such a consummation; but if so, they were of negligible importance, for they could not stem the onward tide of the highly dynamic forces which were drawing industrial society into an unknown future. In fact, the whole system was so new that little could be known of the real forces at work; but amid the known, the mark of reality seemed much more legible in tendency than in existing fact. The less important "being" was swallowed up in the more important "becoming." First, static theory, and later the quantitative "dynamics" which was added to it, seemed foreign to the contemporary America of perpetual transition.

Such was the environment which Hoxie wrought for himself out of the materials at hand. Some things he saw which others would have missed; some things he missed which others would have seen; and many things he saw quite differently from others. Our account is unreal in presenting the economic, intellectual, and

material environments in sequence, for always Hoxie saw them all at once. However, an examination of his writings leaves little doubt that this is the order in which they were the dominant influences in his work. It is even more unreal in presenting in reasonably definite, even if complex, terms the environment which he was coming to possess. It fails to show the tortuous and laborious path along which he moved looking for light.

This conscious environment presents his problem and ours. His it was to elaborate an economic system consonant with it; with the economic theories of the various schools, which represent the impressions of the industrial system formed by acute observers and keen interpreters; with the general body of intellectual assumptions, which in any age are the ultimate terms of all acceptable explanation; and with the facts of life as, aided by these devices, he came to see them. Since his environment was a developing one, his problem was ever changing. It was intermittently simple and complex: simple, as he reduced his observations to order, and complex, as the entrance of new factors required fresh starts. Ours is the far simpler problem of testing the development of his system in terms of this unfolding environment.

For our task the evidence is all too meager. Hoxie's output, while large in quantity, is smaller than the facts of his life seem to warrant. He suffered from ill-health, even from his undergraduate days, and this interfered seriously with his labors. Since he was not of those "who affect to despise good teaching," the classroom imposed an even more serious burden upon him. There a large part of his very best work found only oral expression and, while its influence was not lost, its marks of identity are gone. A large part of his written work remains unpublished and therefore inaccessible. How much of this consists of studies in approximately final form and how much of attempts merely to clarify his thought through writing, it is impossible to tell. The latter was a favorite device of his, and from the evidence at hand it is a fair inference that his enlarging environment and changing viewpoint caused many a piece of work to be abandoned before it was finished. Our evidence, therefore, must be sought largely in the printed word. If the lack of completeness of its record forces reliance to be put



in inference rather than in direct testimony, we can only trust that the inaccuracies resulting will be corrected by the publication of the more complete studies which Hoxie left.

## II

Like all things genetic, the record of the development of Hoxie's economics defies resolution into periods. So many are its strands that a line which strikes one at a natural point of cleavage cuts athwart many others. The different circumstances affecting his development and the different characteristics of his work are matters of varying proportions in the different periods of his life rather than of exclusive influence. It is, therefore, in the most inexact way, and with many qualifications, that the account below resolves itself into three overlapping periods.

In the first period Hoxie's environment was largely the economics of the schools. Of these he found the classical statement most acceptable, and he regarded Laughlin as its most competent expounder. In this period of stormy monetary controversy, a part of its doctrine, seemingly the most vital, was vindicated by its application to the problem of the day.<sup>1</sup> In the absence of negative evidence it was easy to take on faith the rest of so convincing a statement. Thus Hoxie was able to reconcile accepted doctrine with an early commitment to the principle that the laws of economics must have current relevancy. In view of this acceptance of the general scheme as well established and complete, the economist's task became the well-defined one of extending the application of laws to practical problems. Thus from theory as a general basis we find him making excursions into the fields of money, the tariff, and colonial policy. In all these early essays we note a searching analysis, a careful regard for the facts, a critical weighing

<sup>1</sup> As an undergraduate Hoxie accompanied Laughlin when the latter left Cornell University in 1892 to become head of the Department of Political Economy in the newly established University of Chicago. A year later he became a Fellow in economics in the latter institution, an appointment which he held for three years. Thus the dominant period of Laughlin's influence was 1891-96, the years in which Laughlin was so active in applying economic laws to the contemporary controversy over the monetary standard.

of evidence, and an exact statement of conclusions.<sup>1</sup> One of these exhibits ingenious originality in a striking disproof of the compensatory theory of bimetallism.<sup>2</sup> Yet, even in these early articles, a spirit of protestantism, as yet unaware of its objective, is evident. At first it finds adequate vent in piling up syllogisms to demolish the arguments of the followers of the false god of cheap money. Defending "universal natural laws,"<sup>3</sup> Hoxie's utterances burn with the indignation of righteousness. But Hoxie's conscious possession of eternal verity was short-lived, and, before he was done with the tariff, it had found a far more worthy object of attack.<sup>4</sup> As his studies proceeded Hoxie gradually became dissatisfied with classical theory, and in the end insisted that he had rejected the whole system. But not so easily could he free himself from its influence. Once rejected, it became a formidable body of doctrine well worthy of vigorous reaction on his part. More unconsciously its concepts had impressed themselves too deeply upon his mind to be obliterated by any mere logical process, and they affected his work to the very end.<sup>5</sup>

<sup>1</sup> The thoroughness and current value of two of these are attested by their inclusion in recently published books of readings in economics. "The Adequacy of the Customs Revenue System," originally published in the *Journal of Political Economy*, III, 39-72, is included in slightly adapted form both in C. J. Bullock, *Selected Readings in Public Finance*, pp. 425-48, and in Marshall, Wright and Field, *Materials for the Study of Elementary Economics*, pp. 847-53. A selection from "The Silver Debate of 1890," originally appearing in the same periodical, I, 535-87, is included in H. G. Moulton, *Principles of Money and Banking*, 220-28.

<sup>2</sup> "The Compensatory Theory of Bimetallism," *Journal of Political Economy*, I, 273-76.

<sup>3</sup> "The Silver Debate of 1890," *Journal of Political Economy*, I, 573.

<sup>4</sup> "The American Colonial Policy and the Tariff," *Journal of Political Economy*, XI, 198-219. Only in subject-matter does this article belong to this period of Hoxie's development. Both chronologically and in spirit it belongs to the second period.

<sup>5</sup> For instance, late in his career we find Hoxie insisting upon "market choice" or "market valuation" as the distinguishing mark of economics, despite the fact that he had accepted the general theory of "social process" and called himself an institutional economist (see "Sociology and the Other Social Sciences," *American Journal of Sociology*, XII, 746). This definition is very peculiar, for Hoxie certainly did not mean to exclude from the category of economics institutional studies, such, for instance, as the discussion of the cultural incidence of the machine process in T. B. Veblen, *Theory of Business Enterprise*. Again, although in later years he was

In the second period the general movements in thought came to dominate Hoxie, and in terms of them he began to see the complexity of the developing industrial society about him. To this end the circumstance of his life was drawing him. His interest in general economics was too keen to allow of his losing himself in one of its isolated fields, wherein, solaced by descriptive labor, he would soon have found himself beyond the point where the problems of theory would have bothered him. But, even had he been so minded, the demands of the introductory course upon one who took them seriously would have prevented so easy an escape. There he habitually met the American undergraduate, a very important part of his environment, and repeatedly made the customary discovery that the assumptions of theory did grievous violence alike to the common-sense of the times and to the economic world of reality as this young gentleman conceived them. At the same time problems capable of more direct statement in terms of human relationship were coming to the front, and for them the conventional statements did not suffice as they had for the monetary standard and for the tariff. These conditions gave zest to Hoxie's studies in theory, made him quick to catch the significance of Veblen's critical utterances, and impelled him to the conclusion that the methodology of orthodox economics was out of harmony with the dominant intellectual thought of the times. This conclusion exhibited itself both in a heterodox attack upon the accepted synthesis of doctrines and in an orthodox attempt to find a substitute for it.

In keeping with its incentives, this critical attack was partly scientific, partly pedagogic. It assailed general economics both as a formulation of doctrines and as a course of instruction. The first indictment, reiterating Veblen's charges and adding many counts of its own, protested against the attempts of classicists to formulate "a complete orthodox economic taxonomy,"<sup>1</sup> their convinced that there were no general laws in economics, we find him as late as 1914 accepting the classical theory of the distribution of income into its traditional shares of wages, rent, interest, and profits (see "Trade Unionism in the United States," *Journal of Political Economy*, XXII, 476-77).

<sup>1</sup> "On the Empirical Method of Economic Instruction," *Journal of Political Economy*, IX, 491.

arbitrary dualistic classification of matters economic as "natural, normal, sanctioned," and "artificial, abnormal, questioned,"<sup>1</sup> and the arbitrary nature of their preconceptions. In his mind the last resolved itself into a double charge against the hypothetical character of principles and the undue simplification of life found in economic treatises. Conceiving of reality and abstraction as antithetical terms, he elaborated the former charge into an indictment of the science because of its abstract character.<sup>2</sup> The latter charge becomes a denunciation of the science for its failure to study the existing industrial system and to take account of the great technical and pecuniary changes which in recent years had completely transformed economic and social life.<sup>3</sup> These particulars it was easy to sum up in the graver and more comprehensive charge of irrelevancy.<sup>4</sup> The second indictment assailed the general courses of

<sup>1</sup> *Journal of Political Economy*, IX, 492. Hoxie repeatedly protested against the arbitrary antithesis between the "normal" and the "abnormal." We find this early protest voiced in his latest published work (see *Scientific Management and Labor*, p. 64).

<sup>2</sup> Hoxie repeatedly protested against the use of abstractions, seemingly oblivious to the fact that an abstraction is only a general truth, and that between the infinitesimal and the infinite there are a countless number of gradations of abstraction. The protest is peculiar in view of his search for relatively general truths and his own use of abstract concepts. It is difficult to think of an economist whose categories are more highly abstract than Hoxie's. To cite a single example, in his article on "The Demand and Supply Concepts," *Journal of Political Economy*, XIV, 412, by his own confession he uses the term "market" in "an abstract, generic" sense. His protest seems to be not so much against the use of abstractions as against other people's abstractions. The explanation seems to be that the confusion exists in his use of terms rather than in his thought. His real protest is not against abstractions, but against the irrelevance of the abstractions of the classicists.

<sup>3</sup> "The Demand and Supply Concepts," *Journal of Political Economy*, XIV, 340.

<sup>4</sup> In his criticism, though not consciously unfair, Hoxie was not always accurate in his representations of classical doctrine. In an example which is perhaps much too extreme to be typical he represents the laborer as being unable to follow the economist "in his complicated arguments that in the long run and on the whole the keenest competition among laborers brings the highest reward" (see "The Trade Union Point of View," *Journal of Political Economy*, XV, 352). This, however, may be unfair, for it is possible that Hoxie intended to convey nothing more than the state of confusion in which the economist's argument leaves the laborer. However, in passing judgment upon classical doctrines Hoxie fails to take into account the immediacy of the viewpoint of the general public and the very modest claims which most economists make for their principles. He seems, too, to fail to appreciate the necessarily quantitative character of the problem of market value determination.

instruction as concerned with matters alien to industrial life, as using methods which rob the subject of every semblance of vitality, and as failing to meet the proper end of teaching students to think in terms of their economic environment. In this connection he voices an early and vigorous protest against both the formal lecture and the textbook.

As a constructive complement to this criticism Hoxie elaborated a formal synthesis of economics. The outline of this, in the form of a scheme of instruction, fortunately was published.<sup>1</sup> On its pedagogical side it presents much that at the time was novel or even radical. It attempts to replace the formal knowledge of economic verbiage and the conventional sequences of its arguments with an intelligent understanding of its problems and principles in terms of the student's own experience and thought. For the traditional devices of lecture, textbook, and oral quiz, it makes use of informal discussion, empirical investigation, and the general use of problems.<sup>2</sup> By insisting that the proper path for the student is from knowledge to principles rather than from principles to knowledge,<sup>3</sup> it advocated a method which later, but somewhat inaccurately, became known as the "inductive" method. But, by its careful propulsion of the student along a preappointed and well-placarded way, it avoided the more serious objections which are urged against that method.

But of greater importance is the economic system revealed by ridding the scheme of its pedagogical garb. The first impression is the relevancy and reality of the whole. A discussion of the structure of industry gives due attention to the business unit, to business agents and agencies as functioning actualities, and to the pecuniary aspects of economic affairs. The influence of the general environ-

<sup>1</sup> "On the Empirical Method of Economic Instruction," *Journal of Political Economy*, IX, 514-26.

<sup>2</sup> Hoxie was one of the first to place general reliance in the problem method. Of course Sumner had preceded him by many years in the use of this device, but with the latter it was only a supplementary means of instruction. As to priority among Professors H. J. Davenport, F. M. Taylor, and R. F. Hoxie, it is impossible to speak with certainty without the facts. The question, however, is of no importance. There is every indication that each of the three developed this method independently, for their problems are of radically different types.

<sup>3</sup> Hoxie soon gave up this rather naïve antithesis, realizing that observation and speculation are inseparable complements in every intellectual process.

ment and the social nature of institutions are alike recognized. Yet, despite these and many like features, its appearance of articulate reality does not disguise the underlying classical system. The matter on organization is clearly introductory and is quite apart from the main body of doctrine. To the latter the historical and institutional matter which it bears is clearly extraneous. An examination reveals the basis of the system in the individualistic conception of utility common to all the classical schools. It discloses the problem of value as the central theme which gives unity to the whole. And, appropriately enough, a type of the traditional theory of distribution holds the place of honor in the scheme. The old and the new have been associated in a single system by clever, yet formal, contrivances. The lack of organic unity in the whole bears evidence of Hoxie's rapid growth. The irreconcilable elements which this cross-section reveals indicate that he was soon to discover that the synthesis he sought was not yet his.

This discovery was hastened by the accident of his career. At just this time he fell under Fetter's influence, and Fetter's system replaced his own as the appointed synthesis. The circumstances made this inevitable. Fetter's system appealed to his demand for relevancy by its conscious recognition of business agents and activities, by the striking similarity of its concepts to those of the industrial world, and by the appearance of a genetic method of treatment which its skilful historical introductions conveyed. Its reduction of actuality to psychological terms gave its conclusions a sense of finality. And, finally, the facile and logical way in which the processes, activities, and problems of modern industrial society grouped themselves into a single coherent body of doctrine convinced Hoxie that he had found here the unity which he sought. He accepted the system, and for a time its subtle analysis and keen logic satisfied his mind by supplying it with all the intellectual exercise it demanded.

But, after all, the acceptance of Fetter's system was but a passing episode in Hoxie's development. Though he understood it as few others have,<sup>1</sup> and became an accredited exponent of its

<sup>1</sup> A competent observer who was in position to know insists that only Fetter himself has excelled Hoxie in teaching the system with the compelling forward pressure of its logic.

doctrines of value,<sup>1</sup> Fetter's system was not for Hoxie's mind. His increasing demand for the genetic could not be stayed by Fetter's historical introductions, which Hoxie was coming to see were quite apart from the main body of his doctrines. His growing sense of the infinite variety of life prevented him from being satisfied with a unity found by reducing capitalism to a scheme of values. To him capitalism was much more than this; among other things it was a scheme of social arrangements which had received scant attention at Fetter's hands. Even in the most elaborate piece of work which he did under Fetter's influence,<sup>2</sup> there are evidences, not only of a breaking away, but of the introduction of elements incompatible with Fetter's hypotheses. Hoxie never formally renounced the system, and he did not use it as he did classical economics—as a body of doctrine against which to protest. Rather it gradually became a thing apart, a matter alien to his problem and to his conception of his function as an economist.

Meanwhile a theoretical basis for a third attempt at the solution of his constructive problem was being laid. In the development of his criticism, two points came to stand out clearly. The first was that the universe was a complicated affair, filled with an infinitude of things, and that science in its utmost endeavors could never reduce more than a fraction of this to formal statement. If, therefore, its work was to be intelligently done, there must be some definite test by which its problems could be selected. With a sense of social responsibility, and in lieu of a better, he found that test in the practical use to which its results could be put. The

<sup>1</sup> "Fetter's Theory of Value," *Quarterly Journal of Economics*, XIX, 210-30. This article is an authoritative interpretation rather than a critical appraisal, having received Fetter's approval before publication.

<sup>2</sup> "The Demand and Supply Concepts," *Journal of Political Economy*, XIV, 337-61, 401-26. This article furnished important evidence bearing upon the development of Hoxie's economics. Superficially considered, its importance seems likely to be underestimated. While originality and subtlety characterize its discussions, there is an overelaboration of matters quite simple and well recognized. Accordingly, its contribution to value theory is not to be ranked high. But more closely viewed it seems to be a Fetterian essay with a Veblenian introduction. A still closer inspection reveals Veblenian elements in the body of the discussion, which threaten at times to break through the Fetterian crust. In this and other ways it reveals in incipient form some of the elements which were coming to dominate Hoxie's later work.

second point was that the use of a wrong test, or of no test at all, was responsible for current systems of economics. They seemed rather overdeveloped vestiges of the schemes of other ages formulated to meet the passing problems of bygone days than attempts to give order to such phenomena as would serve current purposes. But, since the theories were convicted of irrelevancy when applied to the affairs of everyday life, why not reverse the process and make an analysis of the practical problem the point of departure in economic work?<sup>1</sup> But what was the problem which could serve as a starting-point for an elaboration of a system of general economics? Whether Hoxie made an exhaustive attempt to gather together all economic problems, discover their greatest common denominator, and reduce them to larger and larger problems, we do not know. But we do know that, empirically or intuitively, he reached the conclusion that their number was legion, and that a co-ordination and subordination of them into a hierarchical scheme was impossible. Smaller problems could be made to lose their identity in that of larger ones, but still the mass remained too heterogeneous to be dubbed with a name.<sup>2</sup> And so, since the logic of his viewpoint proved inexorable, Hoxie was forced to give up his notion of finding a synthesis of economics. A necessary complement was a renunciation of faith in the conventional introductory course, which at the time was the universal gateway to economics.<sup>3</sup>

<sup>1</sup> This does not convict Hoxie of confusing ethics and economics. To apply an ethical test in the selection of the task to be performed does not impart ethical characteristics to the resulting product. To insist that economics shall observe and classify particular facts and discover the laws governing particular phenomena is not to mark with an ethical label the ensuing economic formulations. As an economist, Hoxie manifested no concern with the uses to which his conclusions and generalizations should be put.

<sup>2</sup> Few economists have been susceptible to the whole mass of influences which pass as economic. Some of us have had grave difficulty in finding unity and sequence in the general introductory course in economics. But this covers the subject very partially. A good idea of its multifarious character is offered by a perusal of the descriptions of courses offered under the head of economics in our larger educational institutions, particularly such as foster departments of commerce and administration.

<sup>3</sup> If the introductory course in "general economics" is conceived of as anything more than an introduction to a number of different things, each more or less connected with industrial life, this theory leaves no place for it. One may still, of course, give a course in value theory, industrial organization, or social organization in its pecuniary



But if his theory of the initiation of economic inquiry robbed Hoxie of the general field, a complementary theory gave it back. In his critical work he had found a second source of irrelevance in the failure of economics to conform to the dominant intellectual beliefs of the day. Of these, the one which he considered most important was the tendency to explanation in terms of growth. So far as the idea of evolution had influenced the static assumptions of economics, it was to be despoiled of its meaning and to reappear in the meaningless concept of "dynamics." As for practical results, "The revolution in scientific thought," wrote Hoxie, "has in general produced in the field of economic reasoning nothing more serious than harmless diversions, such as are represented by the emphasis upon the relativity of economic precepts, erudite discussions of the evolution of terminology, and introductory essays upon the growth of modern industry."<sup>1</sup> Since he appreciated the significance of this idea, he saw that the solution of the problems in which he was interested called for change, and that change was effected through growth. But, in industrial society, growth, even if it be of the part, is of the whole as well; for the idea of evolution carries with it the kindred one of organic relationship. Perhaps from the standpoint of structure it was possible to divide the whole into parts and to study each in isolation; but if the viewpoint were functional, if institutions and agents were regarded as active and vital organs in society, it was evident that each existed, not in and for itself, but performed its appointed office for, and in relation to, the whole. As a consequence, the study marked out by a particular problem was not in a particular field; it was rather the study of the whole

aspects, but such courses are not properly in the domain of "general economics." On this point Hoxie was too much of a logician not to capitulate. From this time onward he seemed to lose all interest in the conventional introductory course. So long as this course followed traditional lines he asked his colleagues at the University of Chicago for relief from his share of the work. For a time he even went so far as to insist that there was no place for a general course covering a single one of the special fields, such for instance, as money and banking or the labor problem. However, as will appear subsequently, in later years a revolt against the extreme particularism into which he seemed to be drifting and a change in the character of the introductory work led to a renewal of interest both in the initial course and in the sequence of courses.

<sup>1</sup> "The Demand and Supply Concepts," *Journal of Political Economy*, XIV, 339.

of functioning economic society from the standpoint of the problem in hand.<sup>1</sup> These conceptions had for Hoxie the supreme value of pointing a way to the study of industrial society as a whole through the study of a particular problem.<sup>2</sup> For the first time he found it possible to devote himself to a specialized subject. With this discovery the end of a long quest and the beginning of protracted devotion to a single piece of work at last seemed at hand. And with it the development of his economics entered its third and last clearly defined phase.

### III

In this newer quest of the economic cosmos in the individual problem, Hoxie found himself confronted at the outset by two tasks: the further elaboration of his methodology and the discovery of a particular problem that seemed likely to lead along the appointed way. To the former he first addressed himself.

The formulation of his methodology proceeded along the lines already indicated. It substituted a concept of society in organic terms for the loose notion of an aggregation of monadic individuals which neo-classicism seemed still to be assuming. This preconception carried the obvious implication of a close interrelationship between the parts of a developing whole. Singling out market value only as a convenient illustration, Hoxie said: "There is no single social fact, from the esoteric cogitations of the social philosopher down to the mud-sills of human experience, that may not

<sup>1</sup> For Hoxie's explanation of these views, see "Sociology and the Other Social Sciences," *American Journal of Sociology*, XII, 739-55, particularly the résumé on pp. 754-55. Hoxie's conceptions have much in common with those of the sociologists but were reached by a very different path. His concept of society and his idea of the interdependence of its parts is quite like that of C. H. Cooley in *Social Organization*. As to the unity of all social science and the claim of sociology to overlordship, he takes issue with them. Upon this point his argument is premised in the theory of the multiplicity and variety of social problems presented above.

<sup>2</sup> The method suggested here may be called "organic particularism" in contradistinction to the mechanistic particularism which characterized intellectual activity in the last half of the nineteenth century. The latter studies its object in isolation, the former the situation as a whole from the standpoint of its object; the latter looks for structural characteristics, the former for functional activities; the latter finds the reality of an object in itself, the former in its relationships, past and present, to other objects which make up its environment.

in some way, directly or indirectly, affect human choice in the market."<sup>1</sup> The selected problem, whatever it might be, through the process of "cumulative causation" had become associated with a complex and tangled economic situation. To understand that aright, analysis must ignore neither the present nor the past. Since the real importance of objects was not so much in their "being" as in their "becoming,"<sup>2</sup> the reality which the economist sought could be expressed only in genetic terms. Thus Hoxie came to an acceptance of a historical method.

But it took Hoxie little time to part company with the historians, for his history was not of the schools. To one in rebellion against the logical and coherent system of Fetter no solace was offered in a "social and economic" history, either of England or of the United States. Such treatises represented to him "a great deal of misdirected reading" and "much indiscriminate indulgence in mere historical narrative."<sup>3</sup> Lacking unity and coherence, they presented a miscellaneous amount of descriptive matter. Without a clearly defined objective the conventional history was "a hopeless tangle of relevancy and irrelevancy altogether without definite teaching."<sup>4</sup> As generally used, it was a travesty upon the historical method of the natural sciences which it made a pretense of following.<sup>5</sup> In short, at the hands of the economists, history had been stripped of its essential characteristic of recording the growth of the institutional system as a whole and had become mere descrip-

<sup>1</sup> "Sociology and the Other Social Sciences," *American Journal of Sociology*, XII, 746.

<sup>2</sup> Hoxie is almost Hegelian in his emphasis upon "becoming." The word appears frequently in all his later work. Typical examples are to be found in "The Demand and Supply Concepts," *Journal of Political Economy*, XIV, 344; "Trade Unionism in the United States," *ibid.*, XXII, 205; and *Scientific Management and Labor*, 5.

<sup>3</sup> "Historical Method versus Historical Narrative," *Journal of Political Economy*, XIV, 568.

<sup>4</sup> *Ibid.*, XIV, 572.

<sup>5</sup> *Ibid.*, XIV, 569. Hoxie seems to imply here as elsewhere that the problems and phenomena of the natural and the social sciences are such as to warrant an application to them of a common methodology. This not only ignores the real differences between the two, alike in phenomena and in the use to which results are to be put, but also overlooks the differences between the mechanistic and the organic sciences as well. Yet Hoxie's work shows quite clearly that he recognized these distinctions.

tion in chronological form. Its popularity Hoxie attributed to the warm reception always accorded the latest intellectual fad.<sup>1</sup>

In keeping with these ideas Hoxie's method contained two essential features. The first was an analysis of the current situation as a whole so far as it bore upon the problem in hand. The object of this was a discovery of the nature and elements of the problem and its more careful formulation. The second was a study of how the situation came to be what it was from the standpoint of the problem as thus formulated. Admitting that the current and the genetic accounts were complementary methods of analysis,<sup>2</sup> Hoxie insisted that the historical study must follow, not precede, current analysis. To him the "why" must wait upon the "what."<sup>3</sup> Yet he did not deny that the first was not complete until the second had been made, and that the genetic analysis frequently made it necessary to study the current situation anew. On the contrary, he held that each must be tested in terms of the other, and that the cycle must be repeated several times before anything like approximately correct results could be reached. Thus he decried generalized history, just as he had decried generalized economics. In this he insisted that historical work, to have current relevancy, must be based upon an adequate theory. Perhaps this is only another way of saying that it must be done intelligently.

In analyzing the current situation Hoxie insisted upon taking account of "all the facts" that bore upon his problem. He was not content to limit observation to the few easily recognized matters of objective reality, such as the careful reporter could not overlook. He included as well all the traditions, conventions, practices, and customs which make up our social arrangements.<sup>4</sup> He viewed

<sup>1</sup> *Journal of Political Economy*, XIV, 568.

<sup>2</sup> There is evidence both in "Sociology and the Other Social Sciences," *American Journal of Sociology*, XII, 739-55, and in "Historical Method versus Historical Narrative," *Journal of Political Economy*, XIV, 568-72, that Hoxie looked upon history, not as a distinct intellectual discipline, but only as a mere method of analysis, equally applicable to all the social sciences. However, there is no direct statement to that effect in any of his published utterances.

<sup>3</sup> "The Demand and Supply Concepts," *Journal of Political Economy*, XIV, 344.

<sup>4</sup> See "On the Empirical Method of Economic Instruction," *Journal of Political Economy*, IX, 488, 515, for an early recognition of the importance of studying such phenomena.

these as objective phenomena, possessing nothing of the ethical inevitability with which many economists have endowed them.<sup>1</sup> He regarded the system of law, the conventions of property and contract, and the customs lumped together as "the wages system" as "facts" which come under the economist's ken.<sup>2</sup> And, to this list, already formidable, he added the beliefs, prejudices, superstitions, preconceptions, and habits of thought possessed by groups and classes. He was conscious that the reaction of circumstance upon lay minds and the resulting bodies of immediate theory play a part in the world of affairs, often more important than the teaching of the professional schools. And, to grasp these objects of study properly, we must remember that Hoxie conceived of each in terms, not only of what it was, but also of what it was becoming.

Confronted with this complex range of phenomena, Hoxie found it impossible to obey the simple injunction to reduce his observations to order. The trilogy of "observation, classification, and generalization" was too simple for his material. Lest observation be of no avail or time be fruitlessly squandered, he found it necessary to formulate a theory of observation. He saw that his problem must be analyzed and his task marked out before he could begin

<sup>1</sup> It was doubtless this very insistence that, neither explicitly nor implicitly, should economics impute ethical character to conventional institutions, which so frequently led critics to charge him with condemning our social arrangements. They regarded such matters as the explanation of the antagonism of trade unionists to the legal system as implying a criticism of that system by Hoxie. Of course Hoxie was no more condemning than he was approving. His positive point of view led to a mere setting forth of the facts of the situation. The absence of the customary implied defense seemed to his critics to be an attack. Their criticisms are important only as condemning themselves of an implicit defense of the existing order, thus adjudging themselves guilty under the charge brought against him. For an interesting example of the state of extreme bewilderment in which Hoxie's positive work leaves one who has always taken our social arrangements for granted, see C. W. Mixter, review of *Scientific Management and Labor*, in the *American Economic Review*, VI, 373-77. Those who have known Hoxie intimately will doubtless agree that there was as little of the reformer as of the apologist about him. It is difficult to think of an economist so free of schemes of what should and what should not be done. If he was a reformer, it was only in the sense of desiring to see conditions bettered, and believing that a positive analysis of the situation was in itself a step toward that end.

<sup>2</sup> Review of Charles Stelzle, *Messages to Workingmen*, in the *Journal of Political Economy*, XV, 182; "The Socialist Party in the November Elections," *ibid.*, XX, 221.

looking for the particular things that properly belonged to his study.<sup>1</sup> That his quest should show the imperfection of the preliminary analysis was to be expected; for it was only by repeated trials that the truth could even be approximated. As for facts, one must be sure of their pertinency and that they were facts. Much of the material which the economist sought was beyond the pale of direct observation. He must rely to a considerable extent upon the testimony of men who had a personal interest in the subject of inquiry. In such cases direct testimony, always colored by the desire to obtain favorable publicity, was partially or wholly inaccurate. Repeated inferential tests were, therefore, absolutely necessary.<sup>2</sup> Finally, there was nothing more dangerous than

<sup>1</sup> An interesting example of Hoxie's method is furnished by his procedure in the investigation of the relation of scientific management to the conditions of labor. Before visiting the shops he spent several months in formulating a theory of observation and elaborating a questionnaire. The inclusion of relevant and the exclusion of irrelevant material, the systematic nature of the investigation, and the pertinency of the material to the real issues involved—in short, the characteristics which caused the study so generally to be regarded as valuable—are largely due to this period of preliminary study. See the questionnaire in *Scientific Management and Labor*, pp. 197-302. Yet despite their careful formulation Hoxie expressed keen regret that his time did not allow a revision of the theory and the questionnaire on the basis of his experience in the shops and a second investigation of the shops on the basis of the revised theory and questionnaire.

<sup>2</sup> In his studies in trade unionism Hoxie proceeded upon the theory that the published utterances of employers and unionists alike are intended for propagandist purposes and represent the situation neither as it is nor as the parties testifying think of it. He insisted that repeated interviews and the piecing together of many scattered bits of inferential evidence carelessly dropped by interested parties is the only method which insures even approximately exact results. In speaking of his own method, but with specific reference to his investigation of the Industrial Workers of the World, Hoxie said: "I attended its convention; ate, drank, and talked with its members; soaked myself in its factional discussions; haunted its headquarters; fraternized with its officers; and delved into its literature and history." See the discussion of "Syndicalism" in the *Proceedings of the American Economic Association* for 1913, p. 140. An interesting incident which attests Hoxie's skilful use of the "inferential" method may not be out of place. At a time when the I. W. W. was claiming a membership running into the hundreds of thousands, Hoxie walked into the office of St. John, the general secretary, and said, "Look here, St. John, I've got the goods on you. You have only 14,300 members." "You're a liar, Hoxie," replied St. John, "we have 14,310." When on the trail of something that he wanted, Hoxie was quite immune to personal rebuff. His inquisitiveness, often almost brutal, frequently gave strangers a very erroneous impression of his personality.

"partial but typical" instances. He was always unwilling to allow his conclusions to transcend the facts before him.<sup>1</sup> Unfortunately no detailed account of his historical method can be given, for he did not formulate it further than its propositions are contained by implication in the statements made above.

Before his methodology had received definite statement, Hoxie found in trade unionism the problem for which he was seeking. In the more general "labor problem" he found the "economic factors," which are the ultimate recipients of income in theoretical discussion, replaced by creatures of flesh and blood struggling in their several ways for shares of the world's goods. In the more particular problems of trade unionism he found involved in this conflict, not only the laws of value underlying "the distributive process," but practically the whole scheme of our social conventions. And, as he watched the struggle proceed, he saw that the world of ideas was an inseparable part of it. Accordingly it was in trade unionism that he attempted to study developing society.

To Hoxie the trade unionism of everyday reality found its existence in activities; and the essential characteristics of activities were imparted by the world of ideas whence they sprang. It was, therefore, to underlying presuppositions of action that he addressed himself. In successive studies he explained the "viewpoints" of trade unionism, and of its competitors, socialism and industrial unionism.<sup>2</sup> In each case his study is of the thought which finds expression in current activity, not of the theory of this thought which is recorded in books. His industrial unionism bears only a superficial likeness to French syndicalism; his socialism is the American variety which apes respectability. At first he was not

<sup>1</sup> All who knew Hoxie well will probably agree with the following statement by Professor Alvin S. Johnson, in the *New Republic*, VII, 248: "I know of no other contemporary economist who displayed so intense a zeal to understand the living facts of his science."

<sup>2</sup> "The Trade-Union Point of View," *Journal of Political Economy*, XV, 345-63; "Class Conflict in America," *American Journal of Sociology*, XIII, 776-81; "The Rising Tide of Socialism," *Journal of Political Economy*, XIX, 609-31; "The Socialist Party in the November Elections," *ibid.*, XX, 205-23; "The Socialist Party and American Convention Methods," *ibid.*, XX, 738-44; "The Truth about the I.W.W.," *ibid.*, XXI, 785-97; and the discussion of "Syndicalism," *Proceedings of the American Economic Association* for 1913, pp. 136-44.

content with the modest rôle of scientist and attempted to explain the viewpoints which he records in terms of the current technological situation. But gradually his faith in the all-sufficiency of this factor faded,<sup>1</sup> and his causal explanations either became more comprehensive or were omitted altogether. All of these studies, with perhaps the single exception of the first, are based upon a veritable multitude of instances, carefully collected, sifted, digested, and interpreted.

These detailed studies, however, were merely preparatory to a comprehensive study of the American trade-union movement which Hoxie next undertook. Unfortunately but two chapters of what Hoxie expected to be his significant contribution to the literature of economics were completed before a governmental investigation drew his attention elsewhere. After that was finished, death interrupted his labors before he could again seriously apply himself to this task. Fortunately, however, the two chapters published contain his general theory of unionism, the part unfinished consisting largely of the concrete details of verification.<sup>2</sup> While doubtless it would have been modified in detail by ensuing work, as it stands it points unmistakably the direction in which his thought was moving. Although this is his best-known and, perhaps,

<sup>1</sup> The theory underlying such explanations may be called the technological variant of the theory of economic determinism. Hoxie later admitted that he had attached too much importance to technology as a source of intellectual attitudes. While he did not put his modifications in writing, his later studies attest the broadening of his viewpoint. For instance, it is quite evident that a trade-union point of view is not wholly consistent with the theory of the non-unitary character of the movement which later he came to hold.

<sup>2</sup> In this respect it bears a striking similarity to the rest of Hoxie's work, all of which is characterized by its peculiar use of details. Although Hoxie's conclusions always came as the result of sifting an immense amount of facts, few of these find place in his published articles. He seemed to regard the use of details as a method by which to arrive at truth, and not as a means of communicating it to others. It was an affair of the workshop; not a mark of style. While in general Hoxie's articles reveal the course of his development, it is just this failure to record the details of his observation that makes it impossible to determine the processes by which he arrived at particular conclusions. His style is direct and logical; the paths which he trod are devious. It seems strange that a mind that required all the evidence before reaching conclusions was content with an attempt to convince others by the use of general statements. Yet this lack of particular instances habitually characterizes Hoxie's work. It is even found to some extent in his *Scientific Management and Labor*.



most valuable piece of work, it hardly seems necessary to examine it exhaustively here. Hoxie's own account is available in a space of less than forty-five readable pages,<sup>1</sup> and a careful interpretation by a competent critic has already been published.<sup>2</sup> Besides, our interest is primarily in the development of Hoxie's economics rather than in his theory of trade unionism. However, this interest demands a brief résumé of the essential features of the theory.

This general survey can best be presented in a bill of particulars. First, unionism must be studied from the standpoint of function. Only in its activities and the ideas back of them can the institution which plays its part in industrial society be found. Secondly, the source of unionism is to be found in "the totality of environmental conditions"<sup>3</sup> impinging upon the laborer. Thirdly, the forces leading to the development of unionism are largely those of the immediate environment. And fourthly, the institution is of a non-unitary character. As for a common object of endeavor "the union program . . . with all its mutations and contradictions comprehends nothing less than all the various economic, political, ethical, and

<sup>1</sup> The chapters bear the general caption of "Trade Unionism in the United States," and are entitled "General Character and Types" and "The Interpretation of Union Types." They were published in the *Journal of Political Economy*, XXII, 201-17, 464-81. Perhaps it is more accurate to say that there are three articles, for Hoxie evidently regarded one of his articles on methodology, "Historical Method versus Historical Narrative," *ibid.*, XIV, 568-72, as the first article in his trade-union series.

<sup>2</sup> E. H. Downey, "Hoxie's Interpretation of Trade Unionism," *American Journal of Sociology*, XX, 170-80.

<sup>3</sup> Hoxie nowhere attempts to classify the factors in the laborer's world making for unionism and to impute to each its proper share of responsibility. In his early writings, as we have found, he stresses the technological environment, but there is much evidence that in later years he attached less importance to this, and protested even against the prevailing habit of regarding unionism as purely an economic affair. See "Trade Unionism in the United States," *Journal of Political Economy*, XXII, 472. Mr. Downey, who knows Hoxie's theory of unionism perhaps better than anyone else, sums up the determining environmental influences under five heads: (1) the workday environment, making for solidarity; (2) union tradition; (3) the immediate social milieu; (4) national characteristics; and (5) "the congenital variation of aptitudes which form underlying traits of human nature" (see "Hoxie's Interpretation of Trade Unionism," *American Journal of Sociology*, XX, 175-77). Since the article in which this appears was approved by Hoxie before it was published, we may assume his acceptance of it. It is of importance as indicating how far he had departed from his former adherence to the theory of technological determinism.

social viewpoints and modes of action of a vast and heterogeneous complex of working-class groups molded by diverse environments and actuated by diverse motives; it expresses nothing less than the ideals, aspirations, hopes, and fears, modes of thinking and of action of all these working groups."<sup>1</sup> Accordingly there is only "unionism and unionism"; there is "no unionism *per se*." If, however, we are still intent upon thinking of unionism as such, "it must be as one of the most complex, heterogeneous, and protean of modern social phenomena."<sup>2</sup>

Of greater moment to us than these propositions are the inferences to be drawn from them. First, there is the protest against the statement of the characteristics of unionism in blanket terms. The insistence upon adequate analysis and the resolution into types carries with it a denial of the validity of wholesale justification or condemnation of the institution. Secondly, the theory robs of all meaning the many studies which in mechanical terms have sought an origin of unionism. By its insistence that all of our types are essentially American, Hoxie's theory denies them genetic connection with the unionism of other times and places. Even if the sequence connecting a contemporary American union with one of the England of a century and a half ago were unbroken, Hoxie would deny causal antecedence to the latter. He would insist that its existence was so largely due to the compulsion of current necessity that the force of tradition was negligible by comparison; and he would show that the unionism of today, despite a formal likeness and an unbroken connection, is an affair very different from its prototype.<sup>3</sup>

<sup>1</sup> "Trade Unionism in the United States," *Journal of Political Economy*, XXII, 204.

<sup>2</sup> *Ibid.*, XXII, 205.

<sup>3</sup> The thought here indicates quite clearly the difference in intellectual terms between the "historical" and the "genetic" schools. The former sees the objective thing called unionism, assumes that its identity has always remained intact, and looks for its origin. The latter sees a functioning whole which it calls unionism, assumes that, as society has developed, the functions and, therefore, the identity of the institution have changed, and seeks for an origin in the circumstances which have imparted its definite functioning properties. Hoxie's theory makes clear that the continuity which the historians have found is one of structure, which is impertinent if we accept the view that the reality of unionism is functional. It is needless to say that in the light of his view such a question as the relation of unionism to the mediaeval guild could never have arisen.

Thirdly, the theory is a cleverly masked but adroit criticism of much of the current work in trade unionism. Here many studies have been concerned with a mere aggregation of the facts in some mechanically distinct part of the larger field. The theory underlying these endeavors has been that description must precede generalization, that the facts must be massed before conclusions can be drawn from them. Quite cleverly Hoxie challenges both the studies and the theories underlying them. He sets forth a series of conclusions to be appraised in the light of these descriptive studies. The result is the surprising one that the conclusions remain alike unchallenged and unverified. The studies can be used neither to prove nor to disprove Hoxie's thesis. In their glaring impertinence they are convicted of being without relevancy when applied to the primary task of throwing light upon the nature of unionism. Clerical exertion, no matter how heroic, is possessed of no magic virtue that in itself confers value upon its labors. Thus Hoxie reveals the need of an adequate theory to guide work in this field, the while he offers suggestions for a working methodology.

The incomplete character of this work gives it its place in economic literature. Had Hoxie completed the study of trade unionism, in all probability he would have been accounted a laborer in a special field, and would have escaped the opprobrious epithet of "theorist." But, as it chanced, his significant contributions to trade unionism are theories which are concerned with the whole economic situation. And, in these theories, the matters most worthy of recognition are concerned with methodology. Thus one who set out to discover a system found instead a method—a method which may, perhaps, enable others to achieve the goal he could not reach.

True to the course of its development, the close of Hoxie's career reveals his thought in process of flux. New interests were crowding into the field of his attention, tendencies which for a time had guided his labors were undergoing modification, and old interests, seemingly eclipsed, were re-emerging. There is some evidence that the study of scientific management was pointing to an analysis of business activities and processes as a means to the

elaboration of the theory of trade unionism. Other evidence supports the conclusion that he was coming to regard trade unionism as too large and cumbersome a subject for coherent treatment and was considering confining his attention to a small part of the field. This atomic drift of his thought is implicit in his oft-repeated statement that in so modest a subject as scientific management there was "only scientific management and scientific management," there was no "scientific management *per se*." Perhaps it was in reaction against this extreme particularism that in the last few months of his life he revived his interest in the general introductory course and to a smaller degree in the sequence of economic courses.<sup>1</sup> But these tendencies are vague and somewhat contradictory. It is doubtful whether Hoxie himself could clearly have defined them or have predicted where they were leading him. Whether they were mere temporary reactions to an immediate environment, or new forces which had found a permanent place in his scheme of things, it is impossible to say. If they marked the beginning of the fourth period in his development, certainly the period is not clearly enough defined for separate exposition.

Thus as we approach the end of our inquiry, we find ourselves unable to answer its essential question. Had Hoxie succeeded in finding himself as an economist? Did his premature death cut off the fruitage of a system which at last he was establishing, or did it cut athwart the course of his development? Did it interfere with the elaboration and verification of theories which had already been presented, or did it end an experience through that arch "whose margin fades forever and forever" when one moves? Perhaps it was the first, and the loss may be the social loss of an articulate and adequate theory of trade unionism. Perhaps it was the second, and economic science is the loser in the incompleteness of a methodology of genetic economics, which further adventures in quest of his goal might have led him to complete. But we shall never know.

<sup>1</sup> Hoxie's interest was aroused, not by the conventional introduction to general economics, against which he had rebelled years ago, but by the course which just now is in process of being realized at the University of Chicago. This attempts a study of the organization of society from the historical standpoint, and puts its emphasis upon the framework of economic institutions.

## IV

The career which we have just sketched is one of the most interesting in contemporary economics. It presents the bewildering problem of a man, possessed of all the necessary intellectual equipment and applying himself diligently to his task, yet failing to add an elaborate piece of work to the literature of economics.<sup>1</sup> The result is chargeable to a possession, not of too few, but of too many, gifts. With less of a sense of relevancy, Hoxie could have wrought an elaborate work in accepted theory. With a less comprehensive range of observation, he might have selected dominant factors from his environment and made of himself a system-builder. With smaller regard for larger meanings, he might have made an exhaustive study of some field of fact. But the yearnings of the explorer for new intellectual fields and an honesty of purpose which made him a seeker for the whole truth gave him both the explorer's disregard of personal consequences and his accustomed reward. He failed to possess himself of all that he saw, and behind him will come the pioneers who will be the appropriators.

The fuller meaning of the career which has just been sketched defies formal statement. On its intellectual side it made a substantial contribution to the literature of economics. Critics will assign value to the earlier studies in money, the tariff, and colonial policy. They will appraise much more highly the later contributions to the pedagogy of economics, the literature of scientific management, and the theory of trade unionism. They will doubtless come to appreciate the marks of originality attaching to the outline of a methodology which Hoxie came unintentionally to formulate. How high these values will be it is beyond the province of a mere interpretation to declare. It can only be remarked that the critic who essays to find in Hoxie's work as a whole a coherent economic system is doomed to disappointment. He will find sufficient material for his purpose, but a careful analysis will show that

<sup>1</sup> The only book which Hoxie completed was *Scientific Management and Labor*, published just a few months before his death. It is hardly fair to Hoxie to call it a volume, for it contains only 136 pages of text, and was regarded by its author as a mere provisional statement of his views. Circumstances over which he had no control compelled the early publication in tentative form of what Hoxie intended later to elaborate into a comprehensive study.

the various studies are on different intellectual planes, and that between them there is the healthy inconsistency which is the surest indication of intellectual development. He will have to content himself with regarding Hoxie as the focus toward which converged all the forces which are tending to create a modern system of economics.

On its personal side the career is even more interesting. It furnishes the example of a worker who had too much respect for his materials to satisfy himself with anything but the most craftsmanlike performance. It reveals the scholar, submerged in the patient student, ever looking for further truth, and never assigning to his conclusions more than tentative statement. It exhibits the adventurer, the man who must "ride into the wind" seeking new and yet newer things. It shows the cosmic protestant, voicing discontent against artificial systems and bent upon erecting one true to multiform reality. If its larger tasks were left undone, it was the inevitable penalty of titanic attempt.

Thus we come to an end of an attempt to explain the development of Hoxie's economics in terms of "the totality of environmental conditions" impinging upon him. Our quest has shown that Hoxie's own theory explains all we wish to know, with the single exception of the still unknown factor of Hoxie.

WALTON H. HAMILTON

AMHERST COLLEGE